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UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF TEXAS

In re:

HIGHLAND CAPITAL MANAGEMENT, L.P.,

Reorganized Debtor.

MARC S. KIRSCHNER, AS LITIGATION
TRUSTEE OF THE LITIGATION SUB-TRUST,

Plaintiff,

v.

JAMES D. DONDERO; MARK A. OKADA;
SCOTT ELLINGTON; ISAAC LEVENTON;
GRANT JAMES SCOTT III; FRANK
WATERHOUSE; STRAND ADVISORS, INC.;
NEXPOINT ADVISORS, L.P.; HIGHLAND
CAPITAL MANAGEMENT FUND ADVISORS,
L.P.; DUGABOY INVESTMENT TRUST AND
NANCY DONDERO, AS TRUSTEE OF
DUGABOY INVESTMENT TRUST; GET GOOD
TRUST AND GRANT JAMES SCOTT III, AS
TRUSTEE OF GET GOOD TRUST; HUNTER
MOUNTAIN INVESTMENT TRUST; MARK &
PAMELA OKADA FAMILY TRUST – EXEMPT
TRUST #1 AND LAWRENCE TONOMURA AS
TRUSTEE OF MARK & PAMELA OKADA
FAMILY TRUST – EXEMPT TRUST #1; MARK
& PAMELA OKADA FAMILY TRUST –
EXEMPT TRUST #2 AND LAWRENCE
TONOMURA IN HIS CAPACITY AS TRUSTEE
OF MARK & PAMELA OKADA FAMILY TRUST
– EXEMPT TRUST #2; CLO HOLDCO, LTD.;

Chapter 11

Case No. 19-34054-sgj11

Adv. Pro. No. 21-03076-sgj

ANSWER

CARITABLE DAF HOLDCO, LTD.;
CHARITABLE DAF FUND, LP; HIGHLAND
DALLAS FOUNDATION; RAND PE FUND I,
LP, SERIES 1; MASSAND CAPITAL, LLC;
MASSAND CAPITAL, INC.; SAS ASSET
RECOVERY, LTD.; AND CPCM, LLC,

Defendants.

GRANT JAMES SCOTT'S ANSWER TO ADVERSARY COMPLAINT

Defendant, Grant James Scott ("Scott") files this Answer (the "Answer") to the Plaintiff's Adversary Complaint (the "Complaint") [Docket No. 1] filed on October 15, 2021. In response to the Complaint, Scott asserts the following:

ANSWER

I. INTRODUCTION

1. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 1.

2. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 2.

3. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 3.

4. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 4.

5. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 5.

6. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 6 and its subsets.

7. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 7.

8. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 8.

9. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 9.

10. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 10.

II. PARTIES

11. Defendant Scott admits that Dondero resides or has resided in Dallas. Defendant Scott admits that Dondero previously served as the Chief Executive Officer and President of HCMLP. Defendant Scott lacks information sufficient to admit or deny the remaining allegations contained in paragraph 11.

12. Defendant Scott admits that Okada previously served as the Chief Investment Officer of HCMLP. Defendant Scott lacks information sufficient to admit or deny the remaining allegations contained in paragraph 12.

13. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 13.

14. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 14.

15. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 15.

16. Defendant Scott admits that he previously served as a trustee of the Dugaboy Investment Trust. Defendant Scott admits signing proofs of claim in the HCMLP bankruptcy case.

Defendant Scott lacks information sufficient to admit or deny the remaining allegations contained in paragraph 16.

17. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 17.

18. Defendant Scott admits that he currently resides in North Carolina, and that he had various roles at entities in some way associated with Dondero. Defendant Scott admits that he has a history with Dondero, and has previously testified about the nature of his relationship with Dondero. Defendant Scott admits the he served on multiple boards on which Dondero also served. Defendant Scott admits that he was compensated for his various roles at entities in some way associated with Dondero. Defendant Scott admits that, at times, he agreed follow the advice of Dondero or HCMLP's representatives on behalf of entities at which he was a decision-maker, but denies the accusation that he "rubber-stamped" Dondero's and HCMLP's directives without asking questions or requesting additional information.

19. Defendant Scott admits that Ellington previously served as HCMLP's in-house attorney. Defendant Scott lacks information sufficient to admit or deny the remaining allegations contained in paragraph 19.

20. Defendant Scott admits that Leventon previously served as HCMLP's in-house attorney. Defendant Scott lacks information sufficient to admit or deny the remaining allegations contained in paragraph 20.

21. Defendant Scott admits that Waterhouse previously served as HCMLP's CFO. Defendant Scott lacks information sufficient to admit or deny the remaining allegations contained in paragraph 21.

22. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 22.

23. Defendant Scott admits that Charitable DAF Fund, LP is or was an exempted company incorporated in the Cayman Islands. Defendant Scott does not recall whether Dondero was the initial managing member of DAF GP, and does not recall precisely when or if Dondero transferred all membership interests to Defendant Scott. Defendant Scott admits that he served as managing member of DAF GP and director of the DAF. Defendant Scott lacks information sufficient to admit or deny HCMLP's role for the DAF prior to his involvement, but admits that HCMLP acted as the formal or informal non-discretionary investment manager for the DAF at all relevant times during Defendant Scott's tenure with the DAF. Defendant Scott admits that HCMLP also provided advisory and back-office services to the DAF and its subsidiaries, including CLO Holdco, Ltd. Defendant Scott lacks information sufficient to admit or deny whether Dondero currently serves as the DAF's investment advisor.

24. Defendant Scott admits that DAF Holdco is or was an exempted company incorporated in the Cayman Islands, and that Defendant Scott served as DAF Holdco's Director. Defendant Scott admits that DAF Holdco is or was the limited partner of the DAF, but lacks information sufficient to admit or deny the remaining factual allegations in this paragraph.

25. Defendant Scott admits that CLO Holdco is a Cayman Islands entity and a wholly owned subsidiary of the DAF. Defendant Scott admits that CLO Holdco filed a proof of claim in HCMLP's bankruptcy case, which was signed by Scott in his capacity as CLO Holdco's sole director, and later amended that claim. Defendant Scott denies that all investment decisions were effectively made by HCMLP through Dondero until Dondero's departure from HCMLP in January, 2020. Defendant Scott denies "rubber-stamping" all investment decisions. Defendant Scott lacks information sufficient to admit or deny whether Dondero currently serves as an investment advisor to CLO Holdco or whether CLO Holdco made such a statement.

26. Defendant Scott currently lacks information sufficient to admit or deny the allegations contained in paragraph 26.

27. Defendant Scott admits that he previously served as a director and treasurer for Highland Dallas. Defendant Scott lacks information sufficient to admit or deny the remaining allegations contained in paragraph 27.

28. Defendant Scott admits that he served as trustee of the Get Good Trust and that he signed a proof of claim in the HCMLP bankruptcy. Defendant Scott lacks information sufficient to admit or deny the remaining allegations contained in paragraph 28.

29. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 29.

30. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 30.

31. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 31.

32. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 32.

33. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 33.

34. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 34.

III. JURISDICTION AND VENUE

35. Paragraph 35 contains only legal conclusions and does not require an admission or denial from Defendant Scott.

36. Paragraph 36 contains only legal conclusions and does not require an admission or denial from Defendant Scott.

37. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 37.

IV. FACTUAL ALLEGATIONS

38. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 38.

39. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 39.

40. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 40.

41. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 41.

42. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 42.

43. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 49.

44. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 44.

45. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 45.

46. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 46.

47. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 47.

48. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 48.

49. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 49.

50. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 50.

51. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 51.

52. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 52.

53. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 53.

54. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 54.

55. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 55.

56. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 56.

57. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 57.

58. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 58.

59. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 59.

60. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 60.

61. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 61.

62. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 62.

63. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 63.

64. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 64.

65. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 65.

66. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 66.

67. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 67.

68. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 68.

69. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 69.

70. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 70.

71. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 71.

72. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 72.

73. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 73.

74. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 74.

75. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 75.

76. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 76.

77. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 77.

78. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 78.

79. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 79.

80. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 80.

81. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 81.

82. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 82.

83. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 83.

84. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 84.

85. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 85.

86. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 86.

87. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 87.

88. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 88.

89. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 89.

90. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 90.

91. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 91.

92. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 92.

93. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 93.

94. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 94.

95. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 95.

96. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 96.

97. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 97.

98. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 98.

99. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 99.

100. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 100.

101. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 101.

102. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 102.

103. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 103.

104. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 104.

105. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 105.

106. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 106.

107. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 107.

108. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 108.

109. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 109.

110. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 110.

111. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 111.

112. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 112.

113. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 113.

114. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 114.

115. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 115.

116. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 116.

117. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 117.

118. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 118.

119. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 119.

120. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 120.

121. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 121.

122. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 122.

123. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 123.

124. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 124.

125. Defendant Scott admits that HCMLP transferred certain assets for value and that such assets were eventually transferred to CLO Holdco. Defendant Scott denies the remaining allegations contained in paragraph 125.

126. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 126.

127. Defendant Scott admits signing a Purchase and Sale Agreement on behalf of Get Good pursuant to which certain assets were transferred from HCMLP to Get Good in exchange for value. Defendant Scott lacks information sufficient to admit or deny the remaining allegations contained in paragraph 127.

128. Defendant Scott admits that HCMLP transferred assets to Get Good in exchange for the Dugaboy Note. Defendant Scott denies the remaining allegations contained in paragraph 128 of the Complaint.

129. Defendant Scott admits that he executed documents involved in the transfer of the Transferred CLO Holdco Assets to CLO Holdco but denies that he acted solely at Dondero's request.

130. Paragraph 130 contains a graphic. Defendant Scott denies that the graphic is accurate and complete.

131. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 131.

132. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 132.

133. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 133.

134. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 134.

135. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 135.

136. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 136.

137. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 137.

138. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 138.

139. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 139.

140. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 140.

141. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 141.

142. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 142.

143. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 143.

144. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 144.

145. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 145.

146. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 146.

147. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 147.

148. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 148.

149. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 149.

150. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 150.

151. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 151.

152. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 152.

153. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 153.

154. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 154.

155. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 155.

156. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 156.

157. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 157.

158. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 158.

159. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 159.

160. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 160.

161. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 161.

162. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 162.

163. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 163.

164. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 164.

165. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 165.

166. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 166.

167. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 167.

V. CAUSES OF ACTION

168. Paragraph 168 does not require an admission or denial from Defendant Scott.

169. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 169.

170. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 170.

171. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 171.

172. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 172.

173. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 173.

174. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 174.

175. Paragraph 175 does not require an admission or denial from Defendant Scott.

176. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 176.

177. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 177.

178. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 178 and 178(a) thru (h).

179. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 179.

180. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 180.

181. Paragraph 181 does not require an admission or denial from Defendant Scott.

182. Paragraph 182 does not require an admission or denial from Defendant Scott.

183. Paragraph 183 does not require an admission or denial from Defendant Scott.

184. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 184.

185. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 185.

186. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 186.

187. Paragraph 187 does not require an admission or denial from Defendant Scott.

188. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 188.

189. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 189.

190. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 190.

191. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 191.

192. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 192.

193. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 193.

194. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 194.

195. Paragraph 195 does not require an admission or denial from Defendant Scott.

196. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 196.

197. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 197.

198. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 198.

199. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 199.

200. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 200.

201. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 201.

202. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 202.

203. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 203.

204. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 204.

205. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 205.

206. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 206.

207. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 207.

208. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 208.

209. Paragraph 209 does not require an admission or denial from Defendant Scott.

210. Paragraph 210 does not require an admission or denial from Defendant Scott.

211. Paragraph 211 does not require an admission or denial from Defendant Scott.

212. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 215.

213. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 215.

214. Paragraph 214 does not require an admission or denial from Defendant Scott.

215. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 215.

216. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 216.

217. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 217.

218. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 218.

219. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 219.

220. Paragraph 220 does not require an admission or denial from Defendant Scott.

221. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 221.

222. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 222.

223. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 223.

224. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 224.

225. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 225.

226. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 226.

227. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 227.

228. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 228.

229. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 229.

230. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 230.

231. Paragraph 231 does not require an admission or denial from Defendant Scott.

232. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 232.

233. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 233.

234. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 234.

235. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 235.

236. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 236.

237. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 237.

238. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 238.

239. Paragraph 239 does not require an admission or denial from Defendant Scott.

240. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 240.

241. Defendant Scott denies the allegations contained in paragraph 241.

242. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 242.

243. Defendant Scott denies the allegations contained in paragraph 243.

244. Paragraph 244 does not require an admission or denial from Defendant Scott.

245. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 245.

246. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 246.

247. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 247.

248. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 248.

249. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 249.

250. Paragraph 250 does not require an admission or denial from Defendant Scott.

251. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 251.

252. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 252 and 252(a) thru (f).

253. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 253.

254. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 254.

255. Paragraph 255 does not require an admission or denial from Defendant Scott.

256. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 256.

257. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 257.

258. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 258.

259. Paragraph 259 does not require an admission or denial from Defendant Scott.

260. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 260.

261. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 261.

262. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 262.

263. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 263.

264. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 264.

265. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 265.

266. Paragraph 266 does not require an admission or denial from Defendant Scott.

267. Defendant Scott denies the allegations contained in paragraph 267 of the Complaint.

268. Defendant Scott denies the allegations contained in paragraph 268 of the Complaint

269. Defendant Scott denies the allegations contained in paragraph 269 of the Complaint

270. Paragraph 270 does not require an admission or denial from Defendant Scott.

271. Defendant Scott denies the allegations contained in paragraph 271 of the Complaint

272. Defendant Scott denies the allegations contained in paragraph 272 of the Complaint

273. Defendant Scott denies the allegations contained in paragraph 273 of the Complaint

274. Defendant Scott denies the allegations contained in paragraph 274 of the Complaint and its subsets.

275. Defendant Scott denies the allegations contained in paragraph 275 of the Complaint.

276. Paragraph 276 does not require an admission or denial from Defendant Scott.

277. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 277.

278. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 278.

279. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 279.

280. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 280.

281. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 281.

282. Paragraph 282 does not require an admission or denial from Defendant Scott.

283. Defendant Scott admits that HCMLP transferred certain assets to Get Good in December, 2016 in exchange for value pursuant to a Purchase and Sale Agreement executed by Dondero, on behalf of HCMLP, and Defendant Scott, on behalf of Get Good. Defendant Scott denies the remaining allegations contained in paragraph 283 of the Complaint.

284. Defendant Scott denies the allegations contained in paragraph 284 of the Complaint.

285. Defendant Scott admits the allegations contained in paragraph 285 of the Complaint.

286. Defendant Scott admits the allegations contained in paragraph 286 of the Complaint.

287. Defendant Scott admits that the Transferred CLO Holdco Assets were transferred to CLO Holdco, but denies the remaining factual allegations contained in paragraph 287 of the Complaint.

288. Defendant Scott admits that he was Dondero's friend, former roommate and fellow board member on multiple boards of directors but denies the remaining factual allegations contained in paragraph 288 of the Complaint.

289. Defendant Scott denies the allegations contained in paragraph 289 of the Complaint.

290. Defendant Scott denies the allegations contained in paragraph 290 of the Complaint.

291. Defendant Scott denies the allegations contained in paragraph 291 of the Complaint.

292. Defendant Scott denies the allegations contained in paragraph 292 of the Complaint.

293. Paragraph 293 does not require an admission or denial from Defendant Scott.

294. Defendant Scott admits that HCMLP transferred certain assets to Get Good in December, 2016 in exchange for value pursuant to a Purchase and Sale Agreement executed by Dondero, on behalf of HCMLP, and Defendant Scott, on behalf of Get Good. Defendant Scott denies the remaining allegations contained in paragraph 294 of the Complaint.

295. Defendant Scott admits that HCMLP received the Dugaboy Note from Get Good. Defendant Scott denies the remaining allegations contained in paragraph 295 of the Complaint.

296. Defendant Scott denies the allegations contained in paragraph 296 of the Complaint.

297. Defendant Scott denies the allegations contained in paragraph 297 of the Complaint and its subsets.

298. Defendant Scott denies the allegations contained in paragraph 298 of the Complaint.

299. Defendant Scott denies the allegations contained in paragraph 299 of the Complaint.

300. Defendant Scott denies the allegations contained in paragraph 300 of the Complaint.

301. Paragraph 301 does not require an admission or denial from Defendant Scott.

302. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 302.

303. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 303.

304. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 304.

305. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 305.

306. Paragraph 306 does not require an admission or denial from Defendant Scott.

307. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 307.

308. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 308 and 308(a) thru (g).

309. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 309.

310. Paragraph 310 does not require an admission or denial from Defendant Scott.

311. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 311.

312. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 312.

313. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 313.

314. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 314.

315. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 315.

316. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 316.

317. Paragraph 317 does not require an admission or denial from Defendant Scott.

318. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 318.

319. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 319 and 319(a) thru (f).

320. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 320.

321. Paragraph 321 does not require an admission or denial from Defendant Scott.

322. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 322.

323. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 323.

324. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 324.

325. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 325.

326. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 326.

327. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 327.

328. Paragraph 328 does not require an admission or denial from Defendant Scott.

329. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 329.

330. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 330.

331. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 331.

332. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 332.

333. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 333.

334. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 334.

335. Paragraph 335 does not require an admission or denial from Defendant Scott.

336. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 336.

337. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 337.

338. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 338.

339. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 339.

340. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 340.

341. Paragraph 341 does not require an admission or denial from Defendant Scott.

342. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 342.

343. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 343.

344. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 344.

345. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 345.

346. Paragraph 346 does not require an admission or denial from Defendant Scott.

347. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 347.

348. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 348.

349. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 349.

350. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 350.

351. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 351.

352. Paragraph 352 does not require an admission or denial from Defendant Scott.

353. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 353.

354. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 354.

355. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 355.

356. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 356.

357. Paragraph 357 does not require an admission or denial from Defendant Scott.

358. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 358.

359. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 359.

360. Paragraph 360 does not require an admission or denial from Defendant Scott.

361. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 361.

362. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 362.

363. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 363.

364. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 364.

365. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 365.

366. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 366.

367. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 367.

368. Paragraph 368 does not require an admission or denial from Defendant Scott.

369. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 369.

370. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 370.

371. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 371.

372. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 372.

373. Paragraph 373 does not require an admission or denial from Defendant Scott.

374. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 374.

375. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 375.

376. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 376 and paragraphs 376 (a) thru (h).

377. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 377.

378. Paragraph 378 does not require an admission or denial from Defendant Scott.

379. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 379.

380. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 380.

381. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 381.

382. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 382.

383. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 383.

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387. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 387.

388. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 388.

389. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 389.

390. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 390.

391. Paragraph 391 does not require an admission or denial from Defendant Scott.

392. Paragraph 392 does not require an admission or denial from Defendant Scott.

393. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 393.

394. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 394.

395. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 395.

396. Paragraph 396 does not require an admission or denial from Defendant Scott.

397. Paragraph 397 does not require an admission or denial from Defendant Scott.

398. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 398.

399. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 399.

400. Defendant Scott lacks information sufficient to admit or deny the allegations contained in paragraph 400.

AFFIRMATIVE DEFENSES

401. Defendant Scott would show that while he is not a transferee as that term is used under the Texas Uniform Fraudulent Transfer Act, if there is any argument that he should be treated as a transferee, Defendant Scott is entitled to the protections afforded in section 24.009 of the Texas Uniform Fraudulent Transfer Act because at all times Defendant Scott acted in good faith and, to the extent there was any exchange involving Scott, which he denies, Scott provided reasonably equivalent value.

402. Defendant Scott would show that the imposition of exemplary or punitive damages in this case would be fundamentally unfair and would violate the Constitution of the United States and the Constitution of the State of Texas in one or more of the following respects:

- a. Due Process requires proof of gross negligence and punitive damages by a standard greater than the "preponderance of the evidence" standard. Due process requires proof of such claims by at least a clear and convincing evidence.
- b. The assessment of punitive damages, a remedy that is essentially criminal in nature, constitutes infliction of a criminal penalty without the safeguards guaranteed by the Fifth, Sixth, and Fourteenth Amendments to the Constitution of the United States; the Eighth Amendment to the Constitution of the United States, and Article I, Sections 13 and 19 of the Constitution of the State of Texas.

403. Plaintiffs' claim for punitive damages is controlled and limited by Texas Civil Practice and Remedies Code Section 41.008.

404. Plaintiffs' claims are barred, in whole or in part, under the doctrine of proportionate responsibility, set forth in Chapter 33 of the Texas Civil Practice and Remedies Code, based on the negligence, fault or other liability of Plaintiffs and/or other third parties.

405. Plaintiffs' claims are barred by the existence of one or more express contracts.

406. Plaintiffs' claims are barred by legal justification, privilege and/or the business judgment rule.

Dated: March 23, 2022

Respectfully submitted,

KANE RUSSELL COLEMAN LOGAN PC

By: /s/ John J. Kane

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This is to certify that on March 23, 2022, a true and correct copy of the foregoing has been served by ECF on all counsel of record as listed below.

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